

OSTER
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RECORDATION NO. 23737 FILED

November 14, 2001

NOV 14 '01 10-43 AM

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Chattel Mortgage and Security Agreement dated May 16, 2001, including the following parties and railroad equipment:

Secured Party: Clover Leaf Bank, SB
200 East Park Street
Edwardsville, IL 62025

Debtor: Metro East Box Car Leasing, LLC
505 Buckeye Drive
Troy, IL 62294

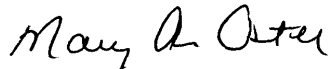
Equipment: 12, Boxcars
SIRX 100152-100163

Please record this document as a primary agreement. The filing fee of \$28 is enclosed.

Summary: Memorandum of Chattel Mortgage and Security Agreement dated 5/16/01 between Clover Leaf Bank, SB as Secured Party and Metro East Box Car Leasing, LLC as Debtor including 12 Boxcars marked SIRX 100152-100163.

Thank you for your assistance.

Sincerely,



Mary Ann Oster
Research Consultant

Enclosures

MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT

THIS CHATTEL MORTGAGE AND SECURITY AGREEMENT (this "mortgage") dated as of May 16, 2001, is made by and between CLOVER LEAF BANK, SB, with An office at 200 East Park Street, Edwardsville, Illinois 62025 (the "Bank") and METRO EAST BOX CAR LEASING, LLC AN Illinois Ltd Liability Corp. with it's chief executive office and principal place of business at Troy Executive Park, 505 Buckeye Drive, Troy, IL 62294 ("the borrower")

BORROWER AND BANK HEREBY STATE THE FOLLOWING:

1. Borrower and Bank are parties to a certain promissory note and loan agreement dated May 16, 2001 and Subject memorandum which will be recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S. C. 11303 whereby the Bank loaned Borrower certain funds to facilitate the purchase of certain covered hopper railcars as detailed on the attached "exhibit A".
2. To secure the payment and performance of any and all of Borrower's obligations to Bank, Borrower, pursuant to this "mortgage" grants to bank a continuing, first priority security interest in and to, and chattel mortgage lien on, all of the Borrower's right, title and interest in and to certain collateral (the "collateral"), to have and to hold all and every part of the collateral unto the bank, its successors and assigns, for its and their own use and benefit forever, such collateral includes but is not limited to:
 - a. All accounts receivable of the company and
 - b. 12 box car railcars as specifically identified on attached exhibit A.
 - c. All improvements, additions, modifications, accessions, equipment, appurtenances and parts appertaining or attached to the 1998 Railcars, whether now owned or hereafter acquired, and all substitutions and replacements of the 12 box car rail cars described herein (12 boxcars and the equipment described in this subsection (b) herein being hereinafter sometimes collectively called the "equipment collateral"
 - d. All of Borrower's right, title and interest in and to all moneys and claims for moneys due and to become due to borrower, it's successors or assigns, (i) arising out of or in any way connected with the present or future use, operation, lease or management of the Railcars or arising out of or in any way connected with any and all present future requisitions, leases bills of lading, contracts and other engagements of affreightment or for the carriage or transportation of cargo, mail and/or passengers, and other operations of the Railcars, and (ii) all claims for damages, arising out of the breach of any and all present and future leases,

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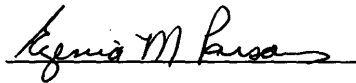
commitments to lease, bills of lading contracts and other engagements of affreightment or for the carriage or transportation of cargo, mail and/or passengers, and operations of every kind whatsoever of the railcars and in and to any and all claims and causes of action for money, loss or damages that may accrue or belong to borrower related to the railcars;

- e. All proceeds, casualty value payments or proceeds settlement payments and requisition compensation from the sale, loss or other disposition of the equipment collateral
- f. All rights, claims and causes of action, if any that the borrower may have now or in the future against any seller of the 12 railcars under any applicable purchase agreement or any manufacturer or any other party, by contract or otherwise, in respect of any defect in the equipment collateral or any part thereof
- g. All damages from time to time payable to or receivable by borrower in respect of the equipment collateral
- h. All proceeds (cash and non-cash) thereof; and
- i. All books and records relating to any of the foregoing.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

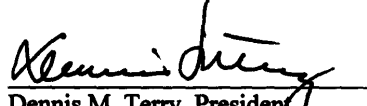
WITNESS:

METRO EAST BOXCAR LEASING, LLC


Dennis M. Terry, President
member


FRED L. PARSONS, member

CLOVER LEAF BANK, SB


Dennis M. Terry, President
member


KURT JOHNSON, member

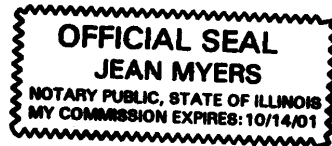
~~
[Redacted Name], managing~~

STATE OF ILLINOIS)
) SS:
COUNT OF MADISON)

On this 16th day of May, 2001, before me, a notary public of the county and state aforesaid, personally appeared Fred L. Parsons and Kurt Johnson, to me personally known and being duly sworn before me state that they are the managing members of METRO EAST BOX CAR LEASING, LLC, an Illinois limited liability company, that the foregoing instrument was signed on behalf of said limited liability company by authority of its members and they acknowledge that the execution of the foregoing instrument was the free act and deed of said limited liability company.

AS WITNESS my hand and notarial seal

Jean Myers Notary Public



My commission expires: 10/11/01

STATE OF ILLINOIS)
) SS:
COUNTY OF MADISON)

On this _____ day of _____, 2001, before me, a notary public of the county and state aforesaid, personally appears Michele Seiberlich, Jan Tweedy, and Tim Bailey, to me personal known or duly sworn before me state that they are the managing members of RAIL DYNAMICS LLC, an Illinois Limited Liability corporation, that the foregoing instrument is the corporate seal of said corporation, and said instrument was signed and sealed on behalf of said corporation by authority of it's members and they acknowledge that the execution of the foregoing instruments was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

Notary Public

My commission expires: _____

STATE OF ILLINOIS)
) SS:
COUNTY OF MADISON)

On this 16th day of May, 2001, before me a Notary Public of the County and state aforesaid, personally appeared Dennis M. Terry, to me personally known who being by me duly sworn, says that he is President of Clover Leaf Bank, a savings bank association, that the seal affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of it's Board of Directors, and he acknowledged that the execution of the forgoing instrument was the free act and deed of said association.

AS WITNESS my hand and notarial seal

Melanie A. Nolen Notary Public

My commission expires: 4/8/03



EXHIBIT A

CURRENT CAR NUMBER

ORIGINAL CAR NUMBER

SIRX100152
SIRX100153
SIRX100154
SIRX100155
SIRX100156
SIRX100157
SIRX100158
SIRX100159
SIRX100160
SIRX100161
SIRX100162
SIRX100163

NW604510
SOU043189
SOU043201
SOU043240
SOU043261
SOU043270
SOU043277
SOU043179
NS468540
SOU043471
NS468543
NS468542